

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the CORPORATE GOVERNANCE COMMITTEE held in Civic Suite 0.1A, Pathfinder House, St Mary's Street, Huntingdon PE29 3TN on Wednesday, 13 September 2017.

PRESENT: Councillor M Francis – Chairman.

Councillors E R Butler, Mrs S Conboy, T Hayward, P Kadewere, Mrs R E Mathews, R J West, D M Tysoe and J M Palmer.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors D B Dew, Mrs L A Duffy and D A Giles.

24. MINUTES

The Minutes of the meeting of the Committee held on 12th July were approved as a correct record and signed by the Chairman.

25. MEMBERS' INTERESTS

No declarations of interests were received.

26. CODE OF CONDUCT COMPLAINTS - UPDATE

Consideration was given to a report by the Elections and Democratic Services Manager and Deputy Monitoring Officer (a copy of which is appended in the Minute Book), which contained a summary of complaints cases regarding alleged breaches of Codes of Conduct by District, Town and Parish councillors. The Committee was reminded that it was responsible for maintaining high standards of councillors' conduct and of the procedure following receipt of complaints.

Members discussed the themes emerging from the cases reported and the extent to which complaints might be the result of ulterior motives. In response, they were informed that all complaints received an initial assessment and the Independent Person was consulted on whether further investigation was necessary.

In response to a question by a Member, the Elections and Democratic Services Manager and Deputy Monitoring Officer agreed to provide advice to District Councillors on the extent of their responsibility for the conduct of Town and Parish councillors within their wards. With regard to future reporting, Members requested that details were provided of categories of cases in order that feedback could be provided to Town and Parish councils together with suggestions for training.

RESOLVED

- a) that the report be received and noted, and
- b) that future update reports be submitted quarterly.

27. COMPLAINTS - ANNUAL REPORT

The Committee received and noted a report by the Corporate Team Manager (a copy of which is appended in the Minute Book) on complaints submitted to the Local Government Ombudsman (LGO) and data relating to Stage 1 and Stage 2 complaints received internally in 2016/17. The Committee was informed that in 2016/17 there were two detailed investigations by the LGO and only one was upheld.

With regard to internal complaints handling, the Committee was advised that the Council had experienced a significant increase in the volume of complaints being recorded. This was partly because a more robust approach to recording and resolving complaints had been adopted but it also was the result of a significant reconfiguration of the waste collection rounds. The latter had placed additional demands on the service, which meant some complaints data had not been captured. Management had taken the decision to devote resources to addressing the problems being experienced rather than recording complaints about them. Following an Internal Audit investigation, a LEAN review of complaints procedures had been carried out during the year. A revised complaints policy, procedure and recording system would be introduced in Quarter 3 of 2017/18.

Members' attention was drawn to the excessive amount of time Officers were required to devote to dealing with unreasonable complainants' behaviour. Advice had been sought from the Local Government Ombudsman and an approach had been agreed to deterring such behaviour and to supporting those Officers who experienced it.

Councillor J Palmer commented on the importance of systematically recording and learning from all customer feedback. Other Members endorsed this view. Councillor Palmer went on to refer to his experiences of the Development Management section and undertook to pursue this matter with the Head of development.

Having discussed their experiences of development management enforcement, the Chairman advised Members that work was being undertaken within the Development section to produce an enforcement policy. Whereupon, it was

RESOLVED

that the contents of the report be noted.

28. APPROVAL FOR PUBLICATION OF THE 2016/17 ANNUAL GOVERNANCE STATEMENT AND THE ANNUAL FINANCIAL REPORT

Consideration was given to a report by the Head of Resources (a copy of which is appended in the Minute Book) which, in accordance with statutory regulations, sought approval for and publication of by 30th September the Council's Annual Governance Statement (AGS) and Annual Financial Report (AFR) for 2016/17. Approval for the Letter of Representation also was sought.

The Head of Resources reported that the Audit had not yet been completed. However, it was expected that the Auditors would be able to issue an unqualified audit opinion and Value for Money judgement and, therefore, he proposed amendments to his recommendations, as set out in an Addendum to his report, which would mean the various requirements could be completed that would enable the accounts to be signed by the statutory deadline. The Head of Resources then introduced the Council's external auditors N Harris, Executive Director, Ms H Clark, Senior Manager, and Ms S Zahid, Audit Senior, of Ernst and Young LLP.

Mr Harris outlined their provisional view that the Annual Governance Statement was consistent with the audit findings so far and he was not intending to exercise any of the auditor's statutory powers. The principal remaining task was to review the revised cash flow statement and this was expected to have been completed by 22nd September. Ms Clark reported that the audit had focused on the risk of fraud and expenditure recognition and she included an outline of the methods that had been employed. She also referred to the valuation of assets, pension liabilities and internal management reporting.

The Chairman drew Members' attention to the view expressed in the audit results report on the Council's commercial investments and the reinforcement it provided of the value of the properties the Council had acquired. Particular comment also was made on the audit finding that examination of the Council's Medium Term Financial Strategy had not revealed any matters on which it was necessary to report. Following a question by a Member on shared services, the Head of Resources reported on the improvement that had been made to the governance arrangements in this respect. In response to a further question by a Member, the Head of Resources stated that he was not aware that any Officers who had been made redundant had subsequently been employed by the authorities that were party to the shared service, moreover statutory regulations existed in relation to such matters.

During further discussions, Members received assurances that the auditors and Officers were planning how the audit would be approached next year and it was expected that the shorter deadline for signing the accounts would be met. Arising from concerns about the impact the new Financial Management System might have on completing the activities required before the accounts could be signed, a further report was requested on progress of its introduction.

Councillor J M Palmer referred to the common practice in the private sector of closing the accounts at the end of each month, and suggested the Council might consider adopting this approach. In reply the Head of Resources accepted that it could be good practice but that local authorities differed in that they received Council Tax each month. He, nevertheless, undertook to investigate whether the Council would benefit from utilizing this feature of the new Financial Management System.

With regard to the reported reduction in debt owed to the Council, Members were informed that this was the result of the introduction of

new debt management and debt recovery procedures. Having agreed to give further consideration to how the risks associated with the Council's venture company might be incorporated into the Committee's work plan, Members endorsed the Annual Governance Statement and, provisionally, the Annual Financial Report, Letter of Representation and Accounts. Whereupon, it was

RESOLVED

- (a) that the Auditor's Results Report attached as Appendix A to the report now submitted be received;
- (b) that the Annual Governance Statement attached as Appendix B to the report now submitted be approved and that the Executive Leader and Managing Director be authorised to sign the Statement on behalf of the Council;
- (c) that the Annual Financial Report attached as Appendix D to the report now submitted be approved subject to:
 - ❖ the External Auditors concluding their outstanding items, set out in its Auditor's Result Report, on their 2016/17 audit of accounts. The Head of Resources (as Section 151 officer), after consultation with the Chairman of the Committee, is authorised to consider any immaterial matters arising prior to the External Auditor issuing their audit opinion,
 - ❖ at the date the external audit is concluded, the Head of Resources (as Section 151 officer), after consultation with the Chairman of the Committee, is authorised to sign the Letter of Representation (Appendix C) on behalf of the Council, and
 - ❖ at the date the external audit is concluded, the Chairman of the Committee and the Head of Resources (as Section 151 officer) are authorised to sign the accounts on behalf of the Council.

29. CORPORATE GOVERNANCE COMMITTEE PROGRESS REPORT

The Committee received and noted a report (a copy of which is amended in the Minute Book) on progress of actions in response to decisions taken at previous meetings. In doing so, Members placed on record their appreciation of the recent training, which was organised by the Internal Audit and Risk Manager.

Chairman